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UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

IN RE: NATIONAL)
PRESCRIPTION) MDL No. 2804
OPIATE LITIGATION)
_____) Case No.
_____) 1:17-MD-2804
_____)
THIS DOCUMENT RELATES) Hon. Dan A.
TO ALL CASES) Polster

THURSDAY, NOVEMBER 8, 2018

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CONFIDENTIALITY REVIEW

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Videotaped deposition of Steven
Mills, held at the offices of BARTLIT BECK
HERMAN PALENDAR & SCOTT LLP, 54 West
Hubbard, Suite 300, Chicago, Illinois,
commencing at 9:07 a.m., on the above date,
before Carrie A. Campbell, Registered
Diplomate Reporter and Certified Realtime
Reporter.

- - -

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<p>1 REED SMITH LLP BY: BRIAN HIMMEL, ESQUIRE bhimmel@reedsmith.com Reed Smith Centre 3 225 Fifth Avenue Pittsburgh, Pennsylvania 15222 4 (412) 288-3131 5 Counsel for AmerisourceBergen</p> <p>6</p> <p>7 BARTLT BECK HERMAN PALENCHAR & SCOTT LLP BY: HAMILTON HILL, ESQUIRE hamilton.hill@bartlit-beck.com ALEX J HARRIS, ESQUIRE alex.harris@bartlit-beck.com 54 West Hubbard Street, Suite 300 10 Chicago, Illinois 60654 (312) 494-4475 11 Counsel for Walgreens</p> <p>12 JONES DAY BY: MARK DEMONTE, ESQUIRE mdemonte@jonesday.com 77 West Wacker 15 Chicago, Illinois 60601-1692 (312) 782-3939 16 Counsel for Walmart</p> <p>17 PELINI, CAMPBELL & WILLIAMS LLC BY: PAUL B RICARD pbricard@pelini-law.com 8040 Cleveland Avenue NW, Suite 400 20 North Canton, Ohio 44720 (330) 305-6400 21 Counsel for Prescription Supply, Inc</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 INDEX 2 PAGE</p> <p>3 APPEARANCES..... 2</p> <p>4 EXAMINATIONS</p> <p>5 BY MR. SHKOLNIK..... 10</p> <p>6 BY MR. HILL..... 391</p> <p>7 BY MR. SHKOLNIK..... 406</p> <p>8 BY MR. HILL..... 410</p> <p>9</p> <p>10 EXHIBITS</p> <p>11 No. Description Page</p> <p>12 Walgreens Steven Mills LinkedIn profile 35 Mills 1 printout</p> <p>13 Walgreens September 27, 2006 letter to 54 Mills 2 registrants from the US Department of Justice, Drug</p> <p>14 Enforcement Administration, ABDCMDL00269691 - ABDCMDL00269694</p> <p>15 Walgreens US Department of Justice, Drug 82 Mills 3 Enforcement Administration</p> <p>16 February 7, 2007 letter to 54 registrants, ABDCMDL00269687 - ABDCMDL00269690</p> <p>17 Walgreens US Department of Justice, Drug 86 Mills 4 Enforcement Administration</p> <p>18 December 27, 2007 letter to 86 registrants, ABDCMDL00269685 - ABDCMDL0026966</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>

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<p style="text-align: right;">Page 6</p> <p>1 Walgreens US Department of Justice, Drug 109 2 Mills 5 Enforcement Administration June 3 12, 2012 letter to registrants, ABDCMDL00269683 - ABDCMDL0026964 4 Walgreens Settlement and Memorandum of 120 Mills 6 Agreement, P-WAG-0001 5 Walgreens E-mail(s), 155 6 Mills 7 WAGMDL00308265 - WAGMDL00308266 7 Walgreens E-mail(s), 183 Mills 8 WAGMDL00308192 - WAGMDL00308212 8 Walgreens E-mail(s), 189 9 Mills 9 WAGMDL00308327 - WAGMDL00308349 10 Walgreens E-mail(s), 198 Mills 10 WAGMDL00060739 - WAGMDL00060764 11 Walgreens E-mail(s), 238 12 Mills 11 WAGMDL00303383 - WAGMDL00303384 13 Walgreens E-mail(s), 261 Mills 12 WAGMDL00245867 - WAGMDL00245879; WAGMDL00245916 - WAGMDL00245920 15 Walgreens E-mail(s), 285 16 Mills 13 WAGMDL00299885 - WAGMDL00299888 17 Walgreens E-mail(s), 296 Mills 14 WAGMDL00312091 - WAGMDL00312093 18 Walgreens E-mail(s), 299 19 Mills 15 WAGMDL00414048 - WAGMDL00414049 20 Walgreens E-mail(s), 315 Mills 16 WAGMDL00060931 - WAGMDL00060933 21 Walgreens E-mail(s), 326 22 Mills 17 WAGMDL00056871 - WAGMDL00056876 23 Walgreens E-mail(s), 330 Mills 18 WAGMDL00108483 - WAGMDL00108485 24 Walgreens E-mail(s), 337 25 Mills 19 WAGMDL00107173 - WAGMDL00107177</p>	<p style="text-align: right;">Page 8</p> <p>1 VIDEOGRAPHER: We are now on record. 2 My name is Michael Newell. I'm 3 a videographer for Golkow Litigation 4 Services. 5 Today's date is November 8, 6 2018, and the time is 9:07 a.m. 7 This video deposition is being 8 held in Chicago, Illinois, in the 9 matter of National Prescription Opiate 10 Litigation. 11 The deponent is Steve Mills. 12 Will counsel please identify 13 themselves. 14 MR. SHKOLNIK: Hunter Shkolnik 15 on behalf of the MDL plaintiffs. 16 MR. CIACCIO: Joseph Ciaccio on 17 behalf of MDL plaintiffs. 18 MR. MOUGEY: Peter Mougey on 19 behalf of the MDL plaintiffs. 20 MR. RICARD: Paul Ricard, 21 Prescription Supply, Inc. 22 MR. HIMMEL: Brian Himmel for 23 AmerisourceBergen. 24 MR. BUSHUR: Joseph Bushur for</p>
<p style="text-align: right;">Page 7</p> <p>1 Walgreens E-mail(s), 340 2 Mills 20 WAGMDL00107557 - WAGMDL00107565 3 Walgreens E-mail(s), 350 4 Mills 21 WAGMDL00107267 - WAGMDL00107271 5 Walgreens E-mail(s), 354 Mills 22 WAGMDL00059074 - WAGMDL00059081 6 Walgreens E-mail(s), 362 7 Mills 23 WAGMDL00413949 - WAGMDL00413950 8 Walgreens E-mail(s), 364 Mills 24 WAGMDL00107384 - WAGMDL00107386 9 Walgreens E-mail(s), 366 10 Mills 25 WAGMDL00107468 - WAGMDL00107469 11 Walgreens E-mail(s), 372 Mills 26 WAGMDL00110737 - WAGMDL00110738 12 Walgreens E-mail(s), 375 13 Mills 27 WAGMDL00244813 - WAGMDL00244815 14 Walgreens E-mail(s), 377 Mills 28 WAGMDL00102390 - WAGMDL00102392 15 Walgreens E-mail(s), 383 16 Mills 29 WAGMDL00414646 - WAGMDL00414648 17 Walgreens E-mail(s), 388 Mills 30 WAGMDL00062061 18 (Exhibits attached to the deposition)</p>	<p style="text-align: right;">Page 9</p> <p>1 Cardinal Health. 2 MR. DEMONTE: Mark DeMonte for 3 Walmart. 4 MR. HARRIS: Alex Harris for 5 Walgreens. 6 MR. HILL: Hamilton Hill for 7 Walgreens. 8 VIDEOGRAPHER: The court 9 reporter today is Carrie Campbell and 10 will now swear in the witness. 11 MR. BARRIENTOS: Alejandro 12 Barrientos for McKesson. 13 MR. HILL: Anyone else on the 14 phone? 15 MR. LADD: Matthew Ladd, Morgan 16 Lewis, representing Rite Aid. 17 MR. SHKOLNIK: Say that one 18 again, please. 19 MR. LADD: Matthew Ladd from 20 Morgan, Lewis & Bockius representing 21 defendant Rite Aid. 22 MR. HENNESSY: And this is Sean 23 Hennessy from Arnold & Porter 24 representing the Endo and Par 25 Pharmaceutical defendants.</p>

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<p>1 MR. ERB: And this is Chip Erb 2 with Cavitch, Familo & Durkin 3 representing Discount Drug Mart. 4 MR. WEEKS: Paul Weeks for 5 Allergan Finance. 6 MS. KLOCKENGA: Jodi Klockenga 7 with Napoli Shkolnik. 8 MS. MITCHELL: Wendy Mitchell 9 with Napoli Shkolnik.</p> <p>10</p> <p>11 STEVEN MILLS, 12 of lawful age, having been first duly sworn 13 to tell the truth, the whole truth and 14 nothing but the truth, deposes and says on 15 behalf of the Plaintiffs, as follows:</p> <p>16</p> <p>17 DIRECT EXAMINATION 18 QUESTIONS BY MR. SHKOLNIK: 19 Q. Mr. Mills, my name is Hunter 20 Shkolnik. I'm going to be asking you a 21 series of questions here today, but anytime 22 you don't understand me, please let me know. 23 I have a tendency to sometimes 24 talk fast. Usually by the time it starts 25 affecting you, the court reporter usually</p>	<p>Page 10</p> <p>1 epidemic developing in the United States? 2 A. I have an understanding, yes. 3 Q. When did you first become aware 4 that there was an opioid epidemic developing 5 in the United States?</p> <p>6 MR. HILL: Object to the form. 7 THE WITNESS: 2012.</p> <p>8 QUESTIONS BY MR. SHKOLNIK: 9 Q. So what happened in 2012 that 10 made you come to a realization that there was 11 an opioid epidemic in the United States?</p> <p>12 A. There was a creation of the RX 13 integrity team, which I'm currently a member 14 of.</p> <p>15 Q. And prior to 2012, were you 16 involved in any capacity with prescription 17 integrity at Walgreens?</p> <p>18 MR. HILL: Object to the form. 19 THE WITNESS: No.</p> <p>20 QUESTIONS BY MR. SHKOLNIK: 21 Q. Was prescription integrity a 22 new department that was developed at some 23 point in time at Walgreens while you were 24 there?</p> <p>25 A. Yes.</p>
<p>Page 11</p> <p>1 throws something at me and stops me. But if 2 at any time I start going too fast, just tell 3 me to slow down.</p> <p>4 If you don't understand a 5 question, let me know. I try my best, but 6 every once in a while I do ask a bad 7 question. So if you don't understand it, 8 just say. I'll rephrase the question.</p> <p>9 Okay?</p> <p>10 A. Okay.</p> <p>11 Q. And whenever there's a 12 question, it has to be a verbal answer. A 13 nod doesn't -- doesn't help. May show up on 14 the video but not on the transcript.</p> <p>15 Okay?</p> <p>16 A. Got it.</p> <p>17 Q. Sir, you work for Walgreens at 18 the current time?</p> <p>19 A. I do.</p> <p>20 Q. And how long have you worked 21 for Walgreens?</p> <p>22 A. The past 13 years.</p> <p>23 Q. So over the 13 years you've 24 been working at Walgreens, do you have an 25 understanding that there was an opioid</p>	<p>Page 13</p> <p>1 Q. So before the company developed 2 prescription integrity department -- withdraw 3 that.</p> <p>4 Was it called the prescription 5 integrity department?</p> <p>6 A. Pharmaceutical integrity.</p> <p>7 Q. Okay. Pharmaceutical integrity 8 department.</p> <p>9 Prior to the development of the 10 pharmaceutical integrity department at 11 Walgreens in 2012, was there any other 12 department in existence at Walgreens that had 13 the same responsibilities as the now new 14 pharmaceutical integrity group --</p> <p>15 MR. HILL: Object to the form.</p> <p>16 QUESTIONS BY MR. SHKOLNIK: 17 Q. -- or department? 18 A. I don't know.</p> <p>19 Q. Did you do anything prior to 20 2012 in terms of pharmaceutical -- 21 pharmaceutical integrity work, the type 22 you're doing after 2012 prior to 2012?</p> <p>23 A. No.</p> <p>24 Q. What type of work did you do 25 before 2012?</p>

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<p style="text-align: center;">Page 14</p> <p>1 A. Prior to 2012, I was working in 2 the pharmacy inventory group where we manage 3 item vendor catalog setup so our stores can 4 order product accordingly. If the item's not 5 set up, then our stores don't have the 6 ability to order it per our ordering system. 7 Q. Was there any specific aspect 8 of that job that dealt with opioids or 9 Class II, Class III pharmaceuticals? 10 A. Can you rephrase your question? 11 Q. Sure. 12 Was any aspect of your job 13 prior to 2012 dealing with the distribution 14 of opioids? 15 A. To answer your question, yes, I 16 would be responsible for setting up items to 17 be available for ordering through our catalog 18 for opioids, C-II, C-III. I believe that's 19 what you're asking. 20 Q. Okay. Tell me what you did 21 with respect to setting up and cataloging of 22 opioid, C-II, C-III, drugs prior to 2012. 23 A. So it would be logging into a 24 computer system, to a web UI, setting up the 25 NDC codes, setting up the UPC numbers and</p>	<p style="text-align: center;">Page 16</p> <p>1 Q. Like the co-op programs they 2 had back then? 3 A. I didn't take advantage of any 4 programs. 5 Q. So you've been with Walgreens 6 ever since Northeastern up until the present 7 time? 8 A. Yes. 9 Q. Now, going back to the issue of 10 opioid epidemic, tell me what it was that 11 triggered in your mind that 2012 there was an 12 opioid epidemic in the United States. 13 MR. HILL: Object to the form. 14 THE WITNESS: Due to the 15 information that was available around 16 the DEA visits to our Jupiter DCs 17 around opioid dispensing. 18 QUESTIONS BY MR. SHKOLNIK: 19 Q. And other than the fact that 20 the DEA came down on Walgreens through its 21 Jupiter distribution facility, you had not 22 been aware that there was a problem with 23 opioids in the United States and it was at 24 epidemic level before that? 25 MR. HILL: Object to the form.</p>
<p style="text-align: center;">Page 15</p> <p>1 then loading that into our ordering system so 2 stores would be able to get replenishment. 3 Q. So it was a job that focused 4 more on the logistics aspect of the 5 pharmaceutical side of the company or just -- 6 withdraw that. 7 So was your job dealing more 8 with logistics, making sure that product was 9 available and product could be shipped? 10 A. Nothing to do with product 11 availability. 12 Q. Okay. 13 A. It was more data entry and item 14 maintenance. 15 Q. What is your background in 16 terms of education, sir? 17 A. Communications degree from 18 Northeastern University. 19 Q. And when you were at 20 Northeastern, did you work for Walgreens as 21 part of any of the -- they have the work 22 study programs there. Did you start with 23 Walgreens back then? 24 A. I started with Walgreens while 25 I was in college, yes.</p>	<p style="text-align: center;">Page 17</p> <p>1 Assumes facts. 2 THE WITNESS: I don't know. It 3 wasn't part of my job responsibilities 4 prior. 5 QUESTIONS BY MR. SHKOLNIK: 6 Q. Well, I mean, did people talk 7 about it at Walgreens prior to 2012, there's 8 an opioid problem in the United States? 9 MR. HILL: Object to the form. 10 THE WITNESS: I can't remember. 11 QUESTIONS BY MR. SHKOLNIK: 12 Q. Did you know any people that 13 had suffered from the ill effects of opioids 14 prior to 2012? 15 A. No. 16 Q. Prior to 2012, to your 17 knowledge, did -- withdraw that. 18 Part of your job is suspicious 19 order monitoring work; am I correct? 20 MR. HILL: Object to the form. 21 THE WITNESS: That is a part of 22 my job, yes. 23 QUESTIONS BY MR. SHKOLNIK: 24 Q. Prior to 2012, had you ever 25 heard of the phrase "suspicious order</p>

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<p style="text-align: right;">Page 18</p> <p>1 monitoring"?</p> <p>2 A. No.</p> <p>3 Q. Prior to 2012, did you have any</p> <p>4 knowledge of any of the requirements that</p> <p>5 applied to Walgreens regarding monitoring of</p> <p>6 the dispensing of C-II or C-III</p> <p>7 pharmaceuticals?</p> <p>8 A. No.</p> <p>9 Q. Prior to 2012, did you have any</p> <p>10 experience whatsoever with the Walgreens</p> <p>11 responsibility regarding the distribution of</p> <p>12 opioids?</p> <p>13 A. No.</p> <p>14 Q. Prior to 2012, did you have any</p> <p>15 training whatsoever in the proper oversight</p> <p>16 of suspicious orders and distribution in</p> <p>17 Walgreens?</p> <p>18 MR. HILL: Object to the form.</p> <p>19 THE WITNESS: No.</p> <p>20 QUESTIONS BY MR. SHKOLNIK:</p> <p>21 Q. When in 2012 did you first get</p> <p>22 any training on what is known as suspicious</p> <p>23 order monitoring in the distribution chain of</p> <p>24 opioids or C-II, C-III --</p> <p>25 MR. HILL: Object to the form.</p>	<p style="text-align: right;">Page 20</p> <p>1 Q. Yeah.</p> <p>2 MR. HILL: Object to the form.</p> <p>3 THE WITNESS: It was just two</p> <p>4 of us at the moment.</p> <p>5 QUESTIONS BY MR. SHKOLNIK:</p> <p>6 Q. Who was the other person?</p> <p>7 A. Tasha Polster.</p> <p>8 Q. And she was your superior at</p> <p>9 that time?</p> <p>10 A. Yes.</p> <p>11 Q. Is she still -- I'm not saying</p> <p>12 it in a negative way. She's a direct report</p> <p>13 up?</p> <p>14 A. At that moment she was.</p> <p>15 Q. Now she's two up; am I correct?</p> <p>16 A. Yes.</p> <p>17 Q. So for the year 2012, let's</p> <p>18 talk from January until December, you had no</p> <p>19 involvement whatsoever with any aspect of</p> <p>20 opioid suspicious order monitoring at</p> <p>21 Walgreens?</p> <p>22 MR. HILL: Object to the form.</p> <p>23 THE WITNESS: I can't remember.</p> <p>24 QUESTIONS BY MR. SHKOLNIK:</p> <p>25 Q. Is it possible it may have been</p>
<p style="text-align: right;">Page 19</p> <p>1 QUESTIONS BY MR. SHKOLNIK:</p> <p>2 Q. -- pharmaceuticals?</p> <p>3 MR. HILL: Object to the form.</p> <p>4 THE WITNESS: It was once we</p> <p>5 established the ground rules of the</p> <p>6 creation of the RX integrity -- or</p> <p>7 pharmaceutical integrity team that</p> <p>8 those ground rules were kind of set.</p> <p>9 QUESTIONS BY MR. SHKOLNIK:</p> <p>10 Q. Was that in June of 2012?</p> <p>11 A. No. The team officially was</p> <p>12 created in December of 2012.</p> <p>13 Q. So in essence, your first</p> <p>14 experience with anything related to</p> <p>15 suspicious order monitoring and distribution</p> <p>16 of opioids didn't occur until the last month</p> <p>17 of December 2012 at Walgreens?</p> <p>18 A. Yes.</p> <p>19 Q. How many other people were</p> <p>20 joined together into this prescription</p> <p>21 integrity group in 2012?</p> <p>22 A. Are you speaking currently</p> <p>23 or --</p> <p>24 Q. No, then.</p> <p>25 A. Then?</p>	<p style="text-align: right;">Page 21</p> <p>1 a day or two before December? Is that the</p> <p>2 issue?</p> <p>3 A. Yeah, there could have been --</p> <p>4 the timing.</p> <p>5 Q. Okay. When you started with</p> <p>6 suspicious order monitoring -- withdraw that.</p> <p>7 When you started with the</p> <p>8 integrity group, did you -- did you sit down</p> <p>9 with Ms. Polster and say, "Why are we doing</p> <p>10 this now? Why are we starting this process</p> <p>11 now?"</p> <p>12 A. No, that conversation never</p> <p>13 happened.</p> <p>14 Q. Did you have an understanding</p> <p>15 as to why it was starting then versus years</p> <p>16 before?</p> <p>17 A. Yes.</p> <p>18 MR. HILL: Object to the form.</p> <p>19 QUESTIONS BY MR. SHKOLNIK:</p> <p>20 Q. What was your understanding?</p> <p>21 Could you tell the Court and jury?</p> <p>22 A. Due to the investigation the</p> <p>23 DEA had performed at our Jupiter DC and the</p> <p>24 seizure of licensure at six of our locations</p> <p>25 in Florida, our team was created to ever</p>

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<p style="text-align: right;">Page 22</p> <p>1 prevent anything like this from happening 2 again. 3 Q. Okay. And was there also an 4 investigation on the facility in Ohio at the 5 same time but they hadn't seized it? 6 MR. HILL: Object to the form. 7 Foundation. 8 THE WITNESS: I don't know. 9 QUESTIONS BY MR. SHKOLNIK: 10 Q. And when you first got together 11 with Ms. Polster, did you ask her, "What did 12 we do at Walgreens before 2000 -- 13 December 2012 in terms of suspicious order 14 monitoring since we're now going to implement 15 the program for going forward?" 16 A. I can't remember if I ever had 17 that conversation. 18 Q. Well, did you ever undertake 19 any investigation on your own to say, "What 20 were we doing to monitor suspicious orders in 21 our company before I got charged with that 22 job?" 23 MR. HILL: Object to the form. 24 THE WITNESS: No. 25</p>	<p style="text-align: right;">Page 24</p> <p>1 Foundation. 2 THE WITNESS: Yes. 3 QUESTIONS BY MR. SHKOLNIK: 4 Q. I mean, that's your 5 responsibilities for the company, to do that 6 as best as you can, correct? 7 MR. HILL: Same objections. 8 THE WITNESS: Yes. 9 QUESTIONS BY MR. SHKOLNIK: 10 Q. And your team of two people 11 grew after December of 2012, correct? 12 A. Yes. 13 Q. Now, over the period of time 14 after 2012, did you continue to have some 15 further understanding that the epidemic in 16 the United States, the opioid epidemic, was 17 growing -- a growing problem? 18 MR. HILL: Object to the form. 19 THE WITNESS: Just from what 20 I've noticed in the news. 21 QUESTIONS BY MR. SHKOLNIK: 22 Q. Did you notice that any 23 other -- that any companies were implicated 24 or in some way referenced as being part of 25 the cause of the epidemic?</p>
<p style="text-align: right;">Page 23</p> <p>1 QUESTIONS BY MR. SHKOLNIK: 2 Q. Was it your understanding that 3 there were some failures on the part of 4 Walgreens in terms of suspicious order 5 monitoring for opioids prior to 2012? 6 A. Yes, that is my understanding. 7 Q. And I take it you took it very 8 seriously, when you were assigned to this new 9 team, to make sure those type of failures 10 didn't happen again, correct? 11 A. Correct. 12 Q. And that was the goal of the 13 integrity team: Let's put something in place 14 that's not going to let these prior failures 15 happen again. 16 MR. HILL: Object to the form. 17 THE WITNESS: Correct. 18 QUESTIONS BY MR. SHKOLNIK: 19 Q. And would it be fair to say 20 that from that point on, when you got 21 involved, you have done your best to make 22 sure that Walgreens adheres to the -- the 23 letter of the law in terms of suspicious 24 order monitoring as best as you could? 25 MR. HILL: Object to the form.</p>	<p style="text-align: right;">Page 25</p> <p>1 MR. HILL: Same objection. 2 THE WITNESS: Just what I've 3 noticed in the news and in reading. 4 QUESTIONS BY MR. SHKOLNIK: 5 Q. I understand. 6 So tell me some of the 7 companies that you came to understand were 8 sort of implicated in this opioid epidemic 9 developing. 10 MR. HILL: Object to the form 11 and calls for speculation. 12 THE WITNESS: Nothing really 13 stands out at the moment. That was 14 several years ago. I can't recall. 15 QUESTIONS BY MR. SHKOLNIK: 16 Q. How about Purdue Pharma? Does 17 that name ring any bells that may have been a 18 factor in developing the epidemic, the opioid 19 epidemic? 20 MR. HILL: Same objections. 21 THE WITNESS: I know that they 22 manufacture OxyContin. That's a very 23 potent opioid. 24 QUESTIONS BY MR. SHKOLNIK: 25 Q. You've also come to know that</p>

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<p style="text-align: center;">Page 26</p> <p>1 that was also an opioid that has been linked 2 to abuse, correct?</p> <p>3 MR. HILL: Same objection.</p> <p>4 THE WITNESS: Yes, these 5 medications can be abused.</p> <p>6 QUESTIONS BY MR. SHKOLNIK:</p> <p>7 Q. But specifically the OxyContin 8 from Purdue, that was one that's been 9 implicated as being connected with abuse and 10 the opioid epidemic, correct?</p> <p>11 MR. HILL: Object to the form. 12 Calls for speculation.</p> <p>13 THE WITNESS: I've heard their 14 name referenced in news articles, yes.</p> <p>15 QUESTIONS BY MR. SHKOLNIK:</p> <p>16 Q. How about Mallinckrodt; do you 17 know that company?</p> <p>18 A. Yes.</p> <p>19 Q. And do you know they make 20 generic versions and brand versions of 21 opioids?</p> <p>22 A. Yes.</p> <p>23 Q. And do you know that that 24 company has been implicated in terms of the 25 opioid epidemic as one of the companies</p>	<p style="text-align: center;">Page 28</p> <p>1 suspicious order monitoring and the 2 prescription integrity responsibility, do you 3 have an understanding on -- as to why you 4 have to monitor the opioid distribution in 5 that department?</p> <p>6 MR. HILL: Object to the form.</p> <p>7 QUESTIONS BY MR. SHKOLNIK:</p> <p>8 Q. What's your understanding of 9 your job?</p> <p>10 MR. HILL: Objection. 11 Compound.</p> <p>12 MR. SHKOLNIK: I'll rephrase 13 the question.</p> <p>14 QUESTIONS BY MR. SHKOLNIK:</p> <p>15 Q. What's your understanding of 16 your job in the prescription integrity group 17 in terms of suspicious order monitoring and 18 why you do it?</p> <p>19 MR. HILL: Same objection.</p> <p>20 THE WITNESS: My position in 21 the team is to ensure that we impose 22 specific limits on specific drugs to 23 ensure that there isn't a -- that no 24 one -- one store is getting an 25 overload of medication.</p>
<p style="text-align: center;">Page 27</p> <p>1 involved in the cause?</p> <p>2 MR. HILL: Object to the form. 3 Calls for speculation.</p> <p>4 THE WITNESS: I can't recall if 5 I ever read any specific articles 6 about Mallinckrodt.</p> <p>7 QUESTIONS BY MR. SHKOLNIK:</p> <p>8 Q. Any other companies while we're 9 sitting here that may ring -- you know, now 10 that we've been talking about it that may 11 have been implicated in the opioid epidemic?</p> <p>12 A. Maybe Watson. That's the only 13 one I can -- kind of comes to my mind.</p> <p>14 Q. How about McKesson, the 15 distributor?</p> <p>16 MR. HILL: Same objections.</p> <p>17 QUESTIONS BY MR. SHKOLNIK:</p> <p>18 Q. Did that ever come up in terms 19 of your knowledge of companies being somehow 20 connected to failures and suspicious order 21 monitoring as it related to the opioid 22 epidemic?</p> <p>23 A. I don't recall reading about 24 McKesson.</p> <p>25 Q. Okay. Now, in terms of</p>	<p style="text-align: center;">Page 29</p> <p>1 So we put limits and processes 2 in place to ensure that if -- stores 3 don't get too much product.</p> <p>4 QUESTIONS BY MR. SHKOLNIK:</p> <p>5 Q. Why wouldn't you want a store 6 to get too much product? Wouldn't it be a 7 good thing from a corporate perspective to 8 make sure there's plenty of product on hand?</p> <p>9 MR. HILL: Object to the form. 10 Foundation.</p> <p>11 THE WITNESS: I don't know.</p> <p>12 QUESTIONS BY MR. SHKOLNIK:</p> <p>13 Q. Is it possible that if a store 14 has too much product on hand, it may result 15 in diversion of the drug into inappropriate 16 streams?</p> <p>17 MR. HILL: Object to the form. 18 Foundation.</p> <p>19 THE WITNESS: I don't know.</p> <p>20 QUESTIONS BY MR. SHKOLNIK:</p> <p>21 Q. So as part of the training for 22 the prescription integrity group, no one ever 23 sat down and said, "We're doing this for some 24 specific reason, our job is for a reason, 25 other than to make sure drugstores don't have</p>

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<p style="text-align: right;">Page 30</p> <p>1 too many pills on hand."</p> <p>2 Other than that, did anyone</p> <p>3 tell you anything else?</p> <p>4 MR. HILL: Object to the form.</p> <p>5 THE WITNESS: We were told</p> <p>6 that, you know, we need to make sure</p> <p>7 that the medication is being dispensed</p> <p>8 to the legitimate patients, and the</p> <p>9 stores that have the legitimate</p> <p>10 patients are getting the legitimate</p> <p>11 product.</p> <p>12 QUESTIONS BY MR. SHKOLNIK:</p> <p>13 Q. And one of the problems is if</p> <p>14 there's too many pills at a store or a store</p> <p>15 is getting too much, there's a possibility</p> <p>16 the pills may end up in the hands of</p> <p>17 inappropriate users; is that a fair</p> <p>18 statement?</p> <p>19 MR. HILL: Object to the form.</p> <p>20 Speculation.</p> <p>21 THE WITNESS: No.</p> <p>22 QUESTIONS BY MR. SHKOLNIK:</p> <p>23 Q. So, really, it doesn't make a</p> <p>24 difference if too many pills were sitting in</p> <p>25 the pharmacy; is that a fair statement?</p>	<p style="text-align: right;">Page 32</p> <p>1 THE WITNESS: My role is to</p> <p>2 make sure that the legitimate patients</p> <p>3 receive the medication for their</p> <p>4 legitimate medical needs.</p> <p>5 QUESTIONS BY MR. SHKOLNIK:</p> <p>6 Q. And the converse of that is,</p> <p>7 your job's responsibility is to make sure the</p> <p>8 illegitimate users don't get those pills</p> <p>9 through your pharmacies, correct?</p> <p>10 MR. HILL: Same objection.</p> <p>11 THE WITNESS: Correct.</p> <p>12 QUESTIONS BY MR. SHKOLNIK:</p> <p>13 Q. And one of the ways of doing</p> <p>14 that is to closely monitor how many pills are</p> <p>15 being distributed out of a distribution</p> <p>16 center to an individual pharmacy and whether</p> <p>17 or not that pharmacy is following proper</p> <p>18 procedures in terms of dispensing those</p> <p>19 drugs; fair statement?</p> <p>20 A. Yes.</p> <p>21 Q. And that's part of your</p> <p>22 responsibility in pharmacy integrity?</p> <p>23 A. Yes.</p> <p>24 Q. And there's another group that</p> <p>25 you work kind of hand-in-hand with that's --</p>
<p style="text-align: right;">Page 31</p> <p>1 MR. HILL: Object to the form.</p> <p>2 THE WITNESS: No.</p> <p>3 QUESTIONS BY MR. SHKOLNIK:</p> <p>4 Q. If a pharmacy is -- I mean,</p> <p>5 there has to be a reason why you want to</p> <p>6 control how many pills end up in each one of</p> <p>7 your pharmacies, other than for inventory</p> <p>8 management; am I correct?</p> <p>9 A. Yes.</p> <p>10 Q. I mean, your job isn't designed</p> <p>11 to say, "We don't want too many pills in</p> <p>12 store X in Cleveland because they just happen</p> <p>13 to have too many for an inventory purpose."</p> <p>14 That's not your job, to monitor</p> <p>15 that, correct?</p> <p>16 MR. HILL: Object to the form.</p> <p>17 THE WITNESS: No, that's not my</p> <p>18 job.</p> <p>19 QUESTIONS BY MR. SHKOLNIK:</p> <p>20 Q. Your job is to make sure that</p> <p>21 pharmacy in Cleveland doesn't have too many</p> <p>22 pills on hand and those pills don't get into</p> <p>23 the wrong hands from the pharmacy; fair</p> <p>24 statement?</p> <p>25 MR. HILL: Object to the form.</p>	<p style="text-align: right;">Page 33</p> <p>1 would that be the pharmacy -- is it a</p> <p>2 management group? There's a group that</p> <p>3 actually gets the pills distributed to the</p> <p>4 stores?</p> <p>5 A. We work closely with the</p> <p>6 pharmacy inventory management group.</p> <p>7 Q. Inventory management, I'm</p> <p>8 sorry.</p> <p>9 A. Okay.</p> <p>10 Q. And would it be fair to say the</p> <p>11 pharmacy inventory management group, their</p> <p>12 goal is to get the pills into the stores to</p> <p>13 make sure the stores are properly stocked at</p> <p>14 all times, correct?</p> <p>15 MR. HILL: Object to the form.</p> <p>16 Foundation.</p> <p>17 THE WITNESS: Their goal is to</p> <p>18 ensure that the logic is in place for</p> <p>19 reordering and making sure that</p> <p>20 inventory replenishment is successful.</p> <p>21 QUESTIONS BY MR. SHKOLNIK:</p> <p>22 Q. And the pharmacy may say, "We</p> <p>23 need pills," they go up through pharmacy</p> <p>24 inventory management, but then your</p> <p>25 department actually looks at that request and</p>

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1 determine whether or not inventory management
2 should actually fulfill that order and send
3 the pills to that pharmacy, correct?

4 A. No.

5 Q. So tell me where you come in in
6 that process.

7 MR. HILL: Object to the form.

8 THE WITNESS: So if a store is
9 looking to receive some additional
10 product, they would contact our team.
11 Pharmacy inventory does not involve --
12 there's no involvement there.

13 QUESTIONS BY MR. SHKOLNIK:

14 Q. So it goes to your team first
15 and then --

16 A. We make the determination if
17 the product is warranted and should be
18 fulfilled.

19 Q. Now, before your group got
20 established in 2012, who did that project?

21 A. Pharmacy inventory management
22 team.

23 Q. So the request would go
24 straight to inventory management, and they
25 would make the decision whether to ship it

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11 (Pages 38 to 41)

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12 (Pages 42 to 45)

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13 (Pages 46 to 49)

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14 (Pages 50 to 53)

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15 (Pages 54 to 57)

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16 (Pages 58 to 61)

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17 (Pages 62 to 65)

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18 (Pages 66 to 69)

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19 (Pages 70 to 73)

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20 (Pages 74 to 77)

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21 (Pages 78 to 81)

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22 (Pages 82 to 85)

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23 (Pages 86 to 89)

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24 (Pages 90 to 93)

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25 (Pages 94 to 97)

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33 (Pages 126 to 129)

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34 (Pages 130 to 133)

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1 simply what we called it.

2 QUESTIONS BY MR. SHKOLNIK:

3 Q. I mean, they could have called
4 it a "didn't receive form," you know,
5 "investigation of missing order form." A lot
6 of other things they could have called it
7 other than an override form, correct?

8 A. Possibly.

9 Q. I mean, this is basically
10 telling the pharmacist, oops, I hit your
11 limit, now submit a form asking for us to
12 override it.

13 MR. HILL: Objection. Asked
14 and answered three times now.

15 QUESTIONS BY MR. SHKOLNIK:

16 Q. Yeah, it's not telling them
17 it's lost, it's understocked, it's a new
18 drug. It's telling you, fill out an override
19 form to get my pills, correct?

20 MR. HILL: Object to the form.

21 THE WITNESS: We simply call it
22 the override form, but the override
23 form can mean many different things.
24 There's no definition that says,
25 "you've hit your limit, fill out this

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<p style="text-align: right;">Page 162</p> <p>1 override form."</p> <p>2 QUESTIONS BY MR. SHKOLNIK:</p> <p>3 Q. Well, let's read what it says.</p> <p>4 "The online form is for pharmacies that</p> <p>5 required large quantities of orders for any</p> <p>6 controlled substance C-II to C-V."</p> <p>7 Then it goes on and tells us</p> <p>8 what the process is. "The RX inventory</p> <p>9 receives the override form from RXS."</p> <p>10 Who's RXS?</p> <p>11 A. At that time RXS was a pharmacy</p> <p>12 supervisor, so the store's direct supervisor.</p> <p>13 Q. "RX inventory reviews the</p> <p>14 request based on the reason stated and</p> <p>15 approves or denies the request."</p> <p>16 There's no reference in here</p> <p>17 whatsoever that the override form is utilized</p> <p>18 for anything other than seeking large</p> <p>19 quantities of controlled pills, substance</p> <p>20 pills or drugs, correct?</p> <p>21 MR. HILL: Object to the form.</p> <p>22 THE WITNESS: There is no</p> <p>23 indication that it's only used for</p> <p>24 large quantity orders.</p> <p>25</p>	<p style="text-align: right;">Page 164</p> <p>1 warehouse being empty or any of those</p> <p>2 alternative items.</p> <p>3 That deals with whether or not</p> <p>4 it's a suspicious order and you hit your max,</p> <p>5 correct?</p> <p>6 A. No.</p> <p>7 Q. Okay. What does it have to do</p> <p>8 with?</p> <p>9 A. There were reasons why we may</p> <p>10 deny a request. So, for instance, an item is</p> <p>11 on backorder or an item -- they had a</p> <p>12 computer glitch or whatever the issue is. If</p> <p>13 the quantity that we are receiving from the</p> <p>14 override request seems large or inappropriate</p> <p>15 for whatever reasons, we may deny those</p> <p>16 requests and then ask for specific</p> <p>17 information around good faith dispensing.</p> <p>18 Q. So if it's a computer glitch,</p> <p>19 you're going to ask about good faith</p> <p>20 dispensing?</p> <p>21 A. Possibly.</p> <p>22 Q. Why?</p> <p>23 A. Why not? It's our duty to</p> <p>24 perform our due diligence, right? So if</p> <p>25 there's some reason why that quantity doesn't</p>
<p style="text-align: right;">Page 163</p> <p>1 QUESTIONS BY MR. SHKOLNIK:</p> <p>2 Q. Well, let's go down to the</p> <p>3 fourth bullet point. "Denied orders are sent</p> <p>4 back to RXS requesting more specific</p> <p>5 information that may include GFD."</p> <p>6 Good faith dispensing?</p> <p>7 A. Correct.</p> <p>8 Q. Does that have anything to do</p> <p>9 with not enough inventory in the warehouses</p> <p>10 or a computer glitch or anything like that?</p> <p>11 MR. HILL: Object to the form.</p> <p>12 You're mixing two concepts together.</p> <p>13 MR. SHKOLNIK: No, I'm not, and</p> <p>14 please do not do that. It has been a</p> <p>15 number of these speaking objections,</p> <p>16 which are frowned upon. In fact,</p> <p>17 Judge Polster was discussing it the</p> <p>18 other day, and I'd ask you not to do</p> <p>19 that.</p> <p>20 QUESTIONS BY MR. SHKOLNIK:</p> <p>21 Q. So let me go back to my</p> <p>22 question.</p> <p>23 Denied orders are sent back to</p> <p>24 RXS. And it talks about GFD. GFD has</p> <p>25 nothing to do with computer malfunction, the</p>	<p style="text-align: right;">Page 165</p> <p>1 make sense, we may flag -- we may push back</p> <p>2 and ask for more information.</p> <p>3 Q. So if it's a computer glitch,</p> <p>4 that means the quantity doesn't make sense?</p> <p>5 MR. HILL: Object to the form.</p> <p>6 THE WITNESS: We're speaking of</p> <p>7 the quantity on the override form.</p> <p>8 I'm not talking about a computer</p> <p>9 glitch. I'm talking about the</p> <p>10 quantity on the override form.</p> <p>11 QUESTIONS BY MR. SHKOLNIK:</p> <p>12 Q. I'm still trying to get to the</p> <p>13 bottom of why you're calling it an override</p> <p>14 form if it's for a computer glitch or an</p> <p>15 empty warehouse, and you're not calling it</p> <p>16 something else.</p> <p>17 MR. HILL: Object to the form.</p> <p>18 QUESTIONS BY MR. SHKOLNIK:</p> <p>19 Q. Sir, the form that is submitted</p> <p>20 when someone hits their threshold and still</p> <p>21 wants to get the drugs delivered to the</p> <p>22 pharmacy is an override form, correct?</p> <p>23 A. An override form is what we</p> <p>24 call it. It can be used for multiple</p> <p>25 reasons.</p>

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<p style="text-align: right;">Page 166</p> <p>1 Q. I'm sure it could. 2 But when they hit their max and 3 they still want the drugs, they have to fill 4 an override form? 5 A. They may not be at their max. 6 There might be a reason why an override form 7 is required that doesn't require them to be 8 at their max. 9 Q. Then the next bullet point, 10 "Once RXS has provided a detailed 11 explanation" -- so that's the supervisor for 12 the pharmacy -- "then RX inventory approves 13 the order." 14 So at this point, from 15 June 2012 up until October, it's basically 16 the inventory department that decides whether 17 or not to ship or not -- 18 MR. HILL: Object to the form. 19 QUESTIONS BY MR. SHKOLNIK: 20 Q. -- correct? 21 A. At this moment in time, we did 22 not have the creation of pharmaceutical 23 integrity, so it fell on the hands of the 24 most appropriate group. 25 Q. And at that point in time,</p>	<p style="text-align: right;">Page 168</p> <p>1 Foundation. 2 THE WITNESS: I don't know. 3 QUESTIONS BY MR. SHKOLNIK: 4 Q. That's what it says there, 5 doesn't it? 6 A. I see the words, but I don't 7 know anything about that. 8 Q. I mean, we can only assume that 9 when they signed this \$80 million deal, they 10 were under -- they were stating accurately 11 that their pharmacists were getting a bonus 12 based upon how many controlled substance 13 prescriptions they dispensed, correct? 14 MR. HILL: Object to the form. 15 Foundation. 16 THE WITNESS: I don't know. 17 QUESTIONS BY MR. SHKOLNIK: 18 Q. If we can go back to Exhibit 7, 19 please. 20 So we have the inventory 21 department approving the suspicious order 22 overrides for the pharmacists at the store 23 level who are getting bonuses based on how 24 many pills they sold up to June of 2012 -- up 25 through June 2012, correct?</p>
<p style="text-align: right;">Page 167</p> <p>1 pharmacists were receiving bonuses based on 2 how many pills they were selling -- 3 MR. HILL: Object to the form. 4 QUESTIONS BY MR. SHKOLNIK: 5 Q. -- correct? 6 MR. HILL: Sorry. Object to 7 the form and foundation. 8 THE WITNESS: I don't know. 9 QUESTIONS BY MR. SHKOLNIK: 10 Q. Let's go back to Exhibit 6. 11 Exhibit 6, page 12 of 343, paragraph 12 number 6. "Beginning in 2014, Walgreens will 13 exclude any accounting for controlled 14 substance prescriptions dispensed by a 15 particular pharmacy from bonus computations 16 for pharmacists and pharmacy technicians at 17 the pharmacy." 18 So if my math is correct, 19 June 2012 was before 2014, and at that point 20 in time they were still calculating pharmacy 21 bonuses based on -- bonus computations on 22 accounting for controlled substance 23 prescriptions being dispensed; fair 24 statement? 25 MR. HILL: Object to the form.</p>	<p style="text-align: right;">Page 169</p> <p>1 MR. HILL: Same objections. 2 THE WITNESS: I don't know 3 that. 4 QUESTIONS BY MR. SHKOLNIK: 5 Q. It's a good inference, is it 6 not? 7 MR. HILL: Same thing. 8 THE WITNESS: I don't know. 9 QUESTIONS BY MR. SHKOLNIK: 10 Q. If the company still had a 11 bonus program in place where the pharmacist 12 got a bonus on how many Schedule II through V 13 controlled substance prescriptions they 14 dispensed, based on what we're reading here 15 as the policy for SOM in the overrides, it 16 was inventory department that was approving 17 the pharmacists' bonuses when they approved 18 the overrides, correct? 19 MR. HILL: Same objections. 20 Compound. 21 THE WITNESS: I don't know that 22 to be accurate. 23 QUESTIONS BY MR. SHKOLNIK: 24 Q. Sir, it's exactly what it says on the document. In order to get it</p>

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<p style="text-align: center;">Page 170</p> <p>1 approved, someone in charge of inventory, the 2 sales inventory of the company, was approving 3 the bonuses for the sale of controlled 4 substance pills at the pharmacy level; fair 5 statement?</p> <p>6 MR. HILL: Same objections, and 7 asked and answered.</p> <p>8 THE WITNESS: I don't know.</p> <p>9 QUESTIONS BY MR. SHKOLNIK:</p> <p>10 Q. Do you think it's right for a 11 pharmacist to get a bonus based on how many 12 opioid pills they distribute?</p> <p>13 MR. HILL: Object to the form.</p> <p>14 THE WITNESS: I don't know.</p> <p>15 QUESTIONS BY MR. SHKOLNIK:</p> <p>16 Q. And you wouldn't like -- you 17 don't approve of that yourself, do you?</p> <p>18 MR. HILL: Same objections.</p> <p>19 QUESTIONS BY MR. SHKOLNIK:</p> <p>20 Q. Forget about Walgreens. 21 Yourself.</p> <p>22 Do you approve of the fact that 23 a pharmacist would get a bonus on how many 24 opioid pills they sell?</p> <p>25 MR. HILL: Same objections.</p>	<p style="text-align: center;">Page 172</p> <p>1 MR. HILL: Same objections. 2 THE WITNESS: I don't know.</p> <p>3 QUESTIONS BY MR. SHKOLNIK:</p> <p>4 Q. Let's go down to the next 5 section on Exhibit 7.</p> <p>6 Do you think it's a good idea 7 to pay a bonus to a pharmacist to sell 8 prescription opioids?</p> <p>9 MR. HILL: Same objections.</p> <p>10 THE WITNESS: I don't know.</p> <p>11 QUESTIONS BY MR. SHKOLNIK:</p> <p>12 Q. I mean, we're not talking 13 Pampers. We're not talking household 14 products. We're talking addictive opioid 15 pills.</p> <p>16 Do you think it's appropriate 17 for a company to be paying the pharmacist a 18 bonus for that by the pill?</p> <p>19 MR. HILL: Asked and answered 20 many times.</p> <p>21 MR. SHKOLNIK: And it will be 22 asked again.</p> <p>23 THE WITNESS: I don't know.</p> <p>24 QUESTIONS BY MR. SHKOLNIK:</p> <p>25 Q. Let's go to history of SOM</p>
<p style="text-align: center;">Page 171</p> <p>1 THE WITNESS: I don't know.</p> <p>2 QUESTIONS BY MR. SHKOLNIK:</p> <p>3 Q. We know there was an opioid 4 epidemic at least in 2012, according to your 5 testimony, correct?</p> <p>6 MR. HILL: Object to the form.</p> <p>7 THE WITNESS: I was aware of an 8 opioid epidemic.</p> <p>9 QUESTIONS BY MR. SHKOLNIK:</p> <p>10 Q. At that time?</p> <p>11 A. At that time.</p> <p>12 Q. And do you think getting a 13 bonus on how many pills you could sell -- 14 when I say "pills," opioids. Do you think 15 the incentive of getting a bonus for how many 16 pills you sell may play a role in whether or 17 not you dispense the drug and try to get 18 overrides to get more of the drug to sell?</p> <p>19 MR. HILL: Object to the form.</p> <p>20 Foundation. Asked and answered.</p> <p>21 THE WITNESS: I don't know.</p> <p>22 QUESTIONS BY MR. SHKOLNIK:</p> <p>23 Q. Human nature, isn't it? You 24 sell more pills, you make more money. 25 Wouldn't that be an incentive to many people?</p>	<p style="text-align: center;">Page 173</p> <p>1 daily reporting. 2 "Beginning October 2012, 3 Cardinal Health has been providing a daily 4 list of pharmacy orders that have triggered a 5 SOM event from the previous order day. The 6 SOM report is reviewed by RX inventory to 7 identify any red-flagged Florida pharmacies 8 blocked from ordering controlled substances. 9 Also identified are any large orders that the 10 system generated or manually keyed by the 11 pharmacy that are not red-flag locations." 12 First of all, do you know what 13 a red flag means? 14 A. Red flag can mean anything. 15 Q. What did it mean in the sense 16 of SOM daily reporting when you took over 17 integrity in December of 2012? 18 A. A red flag could be an order 19 that was of interest. 20 Q. Did you ever have any dealings 21 with Cardinal over their SOM policy and the 22 reporting to your company? 23 A. Can you rephrase that question? 24 Q. Yeah. 25 Did you ever have any</p>

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<p style="text-align: center;">Page 174</p> <p>1 interaction with Cardinal Health in 2012 when 2 you took over -- when you and Tasha took over 3 pharmacy integrity about what their process 4 was when they were receiving orders from your 5 stores?</p> <p>6 A. I don't know any -- I don't 7 have any information on what Cardinal was 8 doing.</p> <p>9 Q. Was Cardinal a distributor that 10 was being utilized by the stores at that 11 time?</p> <p>12 A. Yes, one of many.</p> <p>13 Q. If Cardinal was the 14 distributor, was the order going through 15 inventory -- inventory management?</p> <p>16 MR. HILL: Object to the form.</p> <p>17 Foundation.</p> <p>18 QUESTIONS BY MR. SHKOLNIK:</p> <p>19 Q. In that time?</p> <p>20 A. What time? I'm sorry.</p> <p>21 Q. In the 2012 time frame before 22 you took over.</p> <p>23 MR. HILL: Same objections.</p> <p>24 THE WITNESS: Were orders being 25 transmitted to Cardinal; is that what</p>	<p style="text-align: center;">Page 176</p> <p>1 would refresh your recollection as to what 2 was done when you took over?</p> <p>3 I mean, it seems like you don't 4 recall a lot of this stuff. I'm just trying 5 to figure out what I should be looking at.</p> <p>6 MR. HILL: Object to the form.</p> <p>7 MR. SHKOLNIK: I'll rephrase 8 it.</p> <p>9 QUESTIONS BY MR. SHKOLNIK:</p> <p>10 Q. Let's continue looking at this 11 document.</p> <p>12 It says, "Cardinal Health is 13 providing daily lists of pharmacy orders that 14 have triggered SOM event from the previous 15 order day."</p> <p>16 Would that be maybe something 17 that refreshes your recollection that 18 Cardinal Health was actually distributing to 19 your pharmacies beginning in October 2012?</p> <p>20 MR. HILL: Object to the form.</p> <p>21 THE WITNESS: They may have 22 been dispense -- or distributing, but 23 they -- I can't speculate on the drugs 24 that were flagged.</p> <p>25</p>
<p style="text-align: center;">Page 175</p> <p>1 you're asking?</p> <p>2 QUESTIONS BY MR. SHKOLNIK:</p> <p>3 Q. No. No.</p> <p>4 If a store needed -- needed 5 more opioids and they were utilizing Cardinal 6 Health as a distributor, would the order go 7 through pharmacy management, or would it go 8 directly from store to Cardinal back then?</p> <p>9 MR. HILL: Same objections.</p> <p>10 THE WITNESS: I can't recall.</p> <p>11 QUESTIONS BY MR. SHKOLNIK:</p> <p>12 Q. Were stores receiving 13 distribution from Cardinal and Walgreens 14 during the 2012 time frame?</p> <p>15 A. I can't recall.</p> <p>16 Q. Could a store get multiple -- 17 withdraw that.</p> <p>18 Could stores have multiple 19 sources for opioids when you took over the 20 program?</p> <p>21 MR. HILL: Object to the form.</p> <p>22 THE WITNESS: I can't recall.</p> <p>23 QUESTIONS BY MR. SHKOLNIK:</p> <p>24 Q. Are there any documents 25 anywhere that would help -- that you think</p>	<p style="text-align: center;">Page 177</p> <p>1 QUESTIONS BY MR. SHKOLNIK:</p> <p>2 Q. Oh, so this is possibly not 3 related to opioids; is that the issue?</p> <p>4 A. Yes.</p> <p>5 Q. Well, it goes on to show -- 6 say -- I'm sorry, it goes on to say, "Also 7 identified are any large orders that the 8 system generated, SIMS, or manually keyed by 9 the pharmacy that are not red-flag 10 locations."</p> <p>11 Were you aware of red-flag 12 locations in Florida or around the country 13 when you took over?</p> <p>14 A. Only the locations that were a 15 part of the seizure of the licensure in 16 Florida.</p> <p>17 Q. "SOM daily report is filtered 18 to identify red-flag Florida stores. These 19 orders are reviewed by RX inventory to 20 determine how they were generated."</p> <p>21 Would that be an indication 22 that these stores may have been requesting 23 fills or orders directly from Cardinal and 24 not going through inventory management?</p> <p>25 MR. HILL: Object to the form.</p>

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<p style="text-align: right;">Page 178</p> <p>1 THE WITNESS: I want to make 2 sure I understand your question. 3 QUESTIONS BY MR. SHKOLNIK: 4 Q. Yeah. 5 A. The orders that were 6 identified? 7 Q. Yeah. 8 A. Were they placed directly to 9 Cardinal or placed through our system? 10 Q. Well, it says here they have to 11 do an investigation to see whether or not 12 the -- whether RX inventory -- you know, how 13 it was even generated, the request. 14 Is there a possibility that 15 back at that time when you took over these 16 pharmacies, the store level, were able to 17 just go straight to Cardinal and order these 18 opioids without going through inventory 19 management so no one in the company knew what 20 they were getting? 21 MR. HILL: Object to the form. 22 Foundation. 23 THE WITNESS: That's not how 24 the system -- ordering system works. 25 The ordering system, you can't</p>	<p style="text-align: right;">Page 180</p> <p>1 QUESTIONS BY MR. SHKOLNIK: 2 Q. How does it work? 3 MR. HILL: Same objection on 4 foundation. 5 THE WITNESS: The store would 6 place the order within the ordering 7 system, SIMS, S-I-M-S, SIMS. That 8 order is then forwarded to their 9 servicing DC, who completes the 10 required 222 form. That 222 form is 11 then mailed to the vendor, in this 12 case Cardinal. Cardinal would receive 13 that 222 form, fill the order and then 14 ship the order. 15 QUESTIONS BY MR. SHKOLNIK: 16 Q. And you say the DC. Is that 17 where -- the processing center? 18 A. Distribution center. 19 Q. Oh, distribution center, I'm 20 sorry. 21 So it would -- the request 22 would always go through a Walgreens 23 distribution center? 24 MR. HILL: Object to the 25 foundation.</p>
<p style="text-align: right;">Page 179</p> <p>1 order Control IIs or opioids through 2 Cardinal directly. 3 QUESTIONS BY MR. SHKOLNIK: 4 Q. Was that after you took over or 5 previously -- 6 A. Previously. 7 Q. -- before that? 8 A. Previously. 9 Q. So any order to Cardinal would 10 have gone through inventory management? 11 MR. HILL: Object to the form 12 and foundation. 13 THE WITNESS: It would have 14 gone through the ordering system. May 15 not necessarily need to go to RX 16 inventory for review. 17 QUESTIONS BY MR. SHKOLNIK: 18 Q. So it would go to the ordering 19 system, but from the ordering system they may 20 click on Cardinal and send the order directly 21 to Cardinal? 22 MR. HILL: Object to the form 23 and foundation. 24 THE WITNESS: No, it doesn't 25 work that way.</p>	<p style="text-align: right;">Page 181</p> <p>1 QUESTIONS BY MR. SHKOLNIK: 2 Q. Not that it'll be filled 3 through the distribution center. 4 A. Yes. Yes. Because they are 5 the POA for all of our stores. 6 Q. POA? 7 A. Power of attorney. 8 Q. And as you understand it, 9 there's no way that the pharmacy can go 10 directly to either an Anda or an ABC or a 11 Cardinal to fill an order for opioids absent 12 going directly through the SIM process into 13 Walgreens corporate? 14 MR. HILL: Object to the form. 15 THE WITNESS: They cannot. 16 QUESTIONS BY MR. SHKOLNIK: 17 Q. Or they should not, correct? 18 A. They cannot. 19 Q. They cannot? 20 A. Cannot. They need a 222 form. 21 Stores do not have 222 forms. 22 Q. And what is a 222 form, if you 23 could explain that? 24 A. It is a DEA form that is issued 25 to be able to transfer Control II, such as</p>

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3
4 marked for identification.)
5 QUESTIONS BY MR. SHKOLNIK:
6 Q. Mr. Mills, we're handing you
7 what has just been marked as Exhibit 23.
8 It's an e-mail from May of 2013, and at the
9 bottom there's an e-mail from Emily House.

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